

**STATE OF MINNESOTA
DEPARTMENT OF COMMERCE**

In the Matter of
Integrated Escrow Services
and
Global Properties Specialists

CEASE AND DESIST ORDER

TO: Integrated Escrow Services
80 South 8th Street
Minneapolis MN 55402

Alleged Email Address: admin@integratedescrowservices.com

Global Properties Specialists
100 W. Washington Street
Wells Fargo Plaza
Phoenix AZ 85003

Alleged Email Address: info@globalpropertyesspecialists.com

Minnesota law prohibits any person from acting or holding himself, herself or itself out as real estate licensee without a valid real estate license issued by the Commissioner of Commerce (“Commissioner”) as required by Minn. Stat. §82.81, subd. 1 (2012). Minnesota law further prohibits any person from offering or selling an interest in subdivided land in this state unless the interest is registered pursuant to Minn. Stat. §83.23 subd. 1 or the transaction is exempt from registration pursuant to Minn. Stat. §83.25 (2012). Additionally, Minnesota law prohibits the advertising of properties in any manner that is misleading or inaccurate and the making of any material misrepresentations pursuant to Minn. Stat. §§82.81 subd. 12(8) (9) and 325F.67 (2012).

1. Respondent Integrated Escrow Services (“IES”) does not hold a license that is issued by the Minnesota Department of Commerce (“Department”) or hold a license issued by any other

state. According to membership property owners that obtained documentation from IES and had contact with individuals purporting to be associated with IES, IES does business on the 5th floor of the building located at 80 South 8th Street Minneapolis Minnesota 55402. A Department employee visited this address and established that the law offices of Gray Plant Mooty occupy the entire 5th floor of the building. The Department employee spoke with a representative of Gray Plant Mooty who confirmed that IES did not occupy any of the office space on the 5th floor of the building.

2. Respondent Global Properties Specialists ("GPS") does not hold a license that is issued by the Department or hold a license issued by any other state. The Arizona Department of Real Estate database, which contains a record all licensed individuals and companies, has no listing for Global Properties Specialist or Global Property Specialists.

3. In February 2013, the Department opened an investigation of IES and GPS after receiving a telephone call from T.N., a resident of Michigan. T.N. was contacted by GPS and asked if he was interested in selling his membership interest in a Costa Rica property. Based on his communications with GPS, T.N. believed that GPS was a real estate company located in Arizona. GPS drafted and sent to T.N. what it verbally referred to as a purchase and sales agreement that was later executed by T.N. and a representative of GPS. The purchase and sale agreement stated GPS would guarantee the sale of T.N.'s interest in the property and that EIS would act as the escrow company for the sale. Pursuant to the terms of the purchase and sale agreement, on about December 11, 2012, T.N. wired \$6,550 to HSC de Mexico SA representing a transaction fee for service. T.N. wired an additional \$11,790 to HSC on about December 14, 2012, which represented 15% sales tax plus 3% foreign investment tax. On January 25, 2013 T.N. wired to HSC \$4,585 representing payment of 7% commission. On January 31, 2013, T.N. received an email stating he needed to wire to HSC an additional 8% bank surcharge fee of \$4,422. T.N. did not wire the additional funds in

response to this last request. No sale ever took place and T.N. has not had any of his money returned by GPS.

4. On March 11, 2013 the Department received a telephone from T.D., a resident of Oregon, inquiring about the status of IES. T.D. had received from IES a copy of a Business Tax Registration Certificate for EIS (Exhibit A) along with a State of Minnesota Real Estate License certificate (Exhibit B) and a Minnesota driver's license (Exhibit C). The Business Tax Registration Certificate (Exhibit A) contains the Minnesota state seal, bears the name of IES and appears to be active from 2013 to 2014. The Real Estate license certificate (Exhibit B) contains the Minnesota state seal and states the license was purportedly issued under the provisions of Minnesota Statutes Chapter 494, with an effective date of 7/19/11 and an expiration date of 8/31/14. The Minnesota driver's license (Exhibit C) also bears the Minnesota state seal and was allegedly issued 11/2012 with an expiration date of 10/2016. The Minnesota Department of Revenue confirmed that the Business Tax Registration Certificate is not a certificate form it has ever used. The Real Estate license is also not a license form ever used by the Department, and the Minnesota driver's license is also not a license form ever used by the Minnesota Department of Public Safety.

5. The GPS website states the following, "We can offer assistance with no upfront fees, hassles or gimmicks. There are no listing fees, no appraisal fees and we put every effort into making sure your vacation ownership is sold quickly. Our knowledgeable and friendly staff are licensed brokers and vacation ownership resale specialists that have helped thousands sell and buy vacation property...Global Properties Specialists has developed outstanding relationships within the industry and we work hand-in-hand with a licensed, insured, bonded and fully underwritten Escrow and Title Agency to open escrows and perform the closings...Working with a licensed resale company, such as us, ensures a safe, professional transaction with ongoing support from our

knowledgeable specialists.” The website goes on to state that, “Global Properties Specialists helps owners who are not able to use their vacation property, list it for sale or rent.”

6. Using contact information provided by T.N., the Department attempted to contact IES on March 20, 2013 using the U.S. mail, fax and email to obtain information. Email sent by the Department to IES did not bounce back, and mail sent using the U.S. mail was returned “Return to Sender Insufficient Address.” EIS has failed to respond to any of the Department’s numerous demands for information.

7. The Department also attempted to contact GPS on March 19, 2013 using the U.S. mail to request information. That letter was returned, “Return to Sender Vacant”. GPS has failed to respond to the Department’s demands for information.

8. IES has conducted business within Minnesota without making legally required business filings with the Minnesota Secretary of State pursuant to Minn. Stat. Ch. 302A or Ch. 303.

9. GPS has conducted business within Minnesota without making legally required business filings with the Minnesota Secretary of State pursuant to Minn. Stat. Ch. 302A or Ch. 303.

10. GPS has engaged in unlicensed real estate sales activity in violation of Minn. Stat. §82.81 subd. 1 (2012).

11. IES has engaged in unlicensed insurance producer activity by holding itself out as a title company in violation of Minn. Stat. §60K.32 (2012).

12. By advertising in a manner that is misleading or inaccurate with respect to their provision of services relating to property management, real estate sales and leasing, IES and GPS have violated Minn. Stat. §82.81 subd. 12 (8) and §325F.67 (2012).

13. GPS has made material misrepresentations in violation of Minn. Stat. §82.81 subd. 12 (9) (2012).

14. IES and GPS have demonstrated untrustworthiness in violation of Minn. Stat. §82.82 subd 1(f) and 45.027 subd. 4 (2012).

This Order is in the public interest.

NOW, THEREFORE, IT IS HEREBY ORDERED, pursuant to Minn. Stat. § 45.027 subd. 5a (2012) that IES and GPS shall cease and desist from engaging in fraudulent activity and in unlicensed activity of any kind in violation of Minn. Stat. Ch. 60K and 82. This Order is effective immediately.

Pursuant to Minn. Stat. § 45.027 subd. 5a, IES and GPS may request a hearing in this matter. Such a request shall be made in writing and served upon the Commissioner. The Commissioner shall then set a date for hearing within 10 days after receipt of a request, unless IES or GPS and the Department by agreement waive the 10-day time period. If no hearing is requested by either IES or GPS within thirty (30) days of service of this Order and none is ordered by the Commissioner, this Order will become permanent and will remain in effect until modified or vacated by the Commissioner.

In the event a hearing is requested, this Order will remain in effect until it is modified or vacated or made permanent by further order of the Commissioner under Minn. Stat. §45.027 subd 5a (2012). The administrative proceeding provided by Minn. Stat. §45.027 subd. 5a and subsequent appellate judicial review of that administrative proceeding, constitutes the exclusive remedy for determining whether the Commissioner properly issued this Order and whether this Order should be made permanent. The Commissioner reserves the right to seek appropriate remedies including fines, civil penalties and costs associated with our investigation of this matter.

Notwithstanding Minn. Stat. §45.027 subds. 5 or 5a (2012), if IES or GPS requests a hearing under Minn. Stat. §45.027 subd. 5a, IES or GPS may, within fifteen (15) days after service of this

Order, bring an action in Ramsey County District Court for an injunction to suspend enforcement of this Order pending a final decision of the Commissioner under Minn. Stat. §45.027 subd. 5a (2012), to vacate or make permanent this Order. The Court shall determine whether to issue such an injunction based on traditional principles of temporary relief.

In the event a hearing is requested in this matter, it will be held before an Administrative Law Judge to be appointed by the Chief Administrative Law Judge for the State of Minnesota, Office of Administrative Hearings, Harold E. Stassen Office Building, State Capitol Complex, 600 North Robert Street, St. Paul, Minnesota 55146. All parties have the right to represent themselves or be represented throughout the proceedings herein by legal counsel or a person of their choice if not otherwise prohibited as the unauthorized practice of law.

The contested case proceedings are conducted under the Minnesota Rules of Professional Conduct and the Professional Aspirations adopted by the Minnesota State Bar Association. The hearing will be conducted under the contested case procedures as prescribed in accordance with Minn. Stat. Ch. 14 and the Rules of the Office of Administrative Hearings, Minn. R. 1400.5100-1400.8401 (2011).

This Order shall be effective upon signature on behalf of the Commissioner.

Dated: 5-28-13.

By:


MIKE ROTHMAN
Commissioner

85 Seventh Place East, Suite 500
St. Paul, Minnesota 55101
Tel: 651-296-2488

Exhibit A

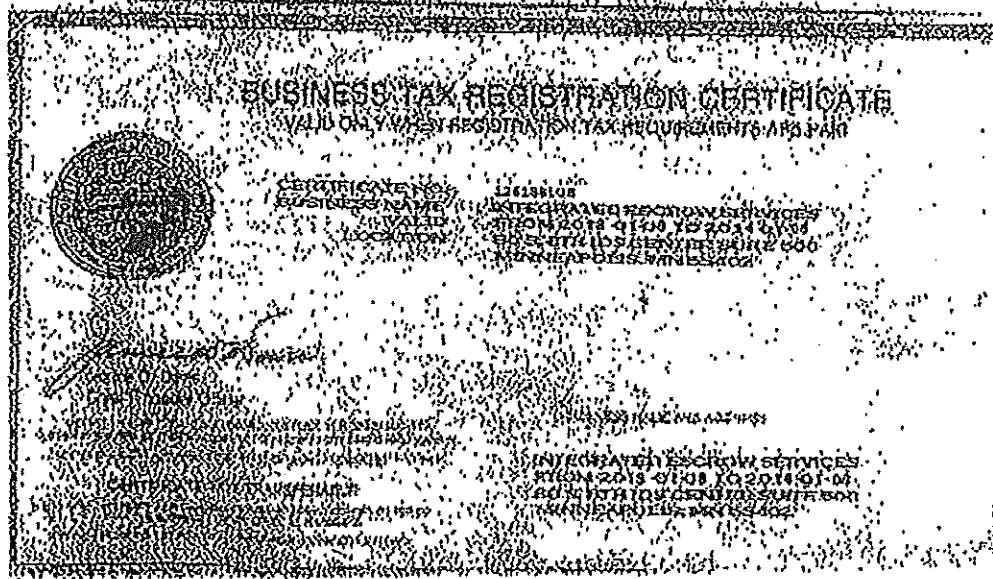


Exhibit B


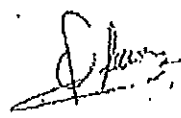
STATE OF MINNESOTA		855003
Minnesota Department of Commerce 85 7th Place East, Suite 600 St. Paul, MN 55101		
Real Estate License		AUDIT NUMBER MN 840088
THE REALTOR INDICATED BELOW IS LICENSED UNDER THE PROVISIONS OF CHAPTER 494 MINNESOTA STATUTES. EFFECTIVE DATE 07/19/11 EXPIRATION DATE 06/31/14		
<div style="border: 1px solid black; padding: 5px;">Name redacted 1500 Chicago Ave. Minneapolis MN 55404</div>		COMMISSIONER OFFICE OF FINANCIAL REGULATION 

Exhibit C

MINNESOTA

Minnesota

Name redacted



1500 Chicago Ave.
Minneapolis, MN 55404

Date of Birth 10-11-1970

Sex Eyes Class

M Brown D

Height Weight
5-8 170

ISSUED 11-2012



EXPIRES 10-2016